

Congratulations on your new position!

As a full-time public employee, you are now a member of the Indiana Public Retirement System's (INPRS) Public Employees' Retirement Fund (PERF) and have some choices to make regarding your retirement benefits. We have provided some important information to make your selections as easy as possible.

You have an option between two benefit plans: the **PERF Hybrid plan** and the **My Choice: Retirement Savings Plan**. The PERF Hybrid plan consists of two parts – an Annuity Savings Account (ASA) and a pension. The My Choice: Retirement Savings Plan is an Annuity Savings Account (ASA), which you can invest while working and use to purchase an annuity for lifelong retirement income. From your start date, you have 60 days to select your preferred plan. If you do not decide within 60 days, you will default into the plan of your employers' choosing. To review the contributions your employer makes to your retirement plan and which default option your employer has selected, go to the Retirement Savings Plan fact sheet on [page five](#). Once you have made a choice or default, you cannot change it. The Retirement Savings Plan quiz on [page six](#) may help you decide which plan is best for you.

You may also want to review the "Which option is best for you?" side by side comparison of the two plans on [page seven](#). For more information on annuities, watch our "What is an Annuity Savings Account?" video at <http://bit.ly/whatisasa>.

As you are looking over which plan is right for you, be sure to think about your investment options. From day one, *the money in your ASA is yours to control*. Take our award-winning **Investing 101** course at <http://bit.ly/INPRSinvesting101> to learn more about investing and find out what kind of investments match up with your goals.

In the coming weeks, you will receive your account login information in the mail. You will need this information in order to log on to your INPRS account and select your plan. When you log on, be sure to provide your email address and select the electronic communication option. This will allow you to receive our quarterly newsletters, account statements and other important information.

We encourage you to look at all your retirement plan options before making a decision. If you have any unanswered questions after reviewing this information, please contact us at (888) 286-3544 Monday through Friday from 8 a.m. to 8 p.m. EST.

Please follow us on social media to stay informed on what's new at INPRS. We're on Facebook at www.facebook.com/INPRS, Twitter at www.twitter.com/INPRS, Instagram at www.instagram.com/indianapublicretirement, LinkedIn at www.linkedin.com/company/indiana-public-retirement-system, and YouTube at www.youtube.com/inprs.

Again, congratulations on your new position and welcome to INPRS!



AT A GLANCE FOR POLITICAL SUBDIVISIONS

(Formerly known as the PERF ASA Only Plan)

Contributions¹

Mandatory 3 percent employee share of gross wages paid by employer, employee, or shared by the employer and employee.

Employer share paid by employer, but member must meet vesting requirements.²

Voluntary Contributions

- Employee may do direct rollovers from qualified plans

Voluntary Contributions, continued

- Employee can elect up to 10 percent of gross wages to contribute additional monies
- Employer may choose to match 0 percent OR 50 percent of employee contributions.
- Employee's voluntary contributions may be pre- or post-tax and the employee elects to do so within the election window

Employee share fully vested upon hire.

Vesting

Employer share based on full years of participation:

- 1 year = 20 percent
- 2 years = 40 percent
- 3 years = 60 percent
- 4 years = 80 percent
- 5 years = 100 percent

Eligibility for Plan Participation

You must be a new employee entering into PERF-covered employment. You will be able to choose membership in either the Hybrid or My Choice: Retirement Savings Plan, if both plans are offered.³

Eligibility for Disability Benefit Payment

- Qualified for Social Security disability benefits and furnished proof of qualification
- Received a salary from an position covered by the My Choice: Retirement Savings Plan within 30 days of termination date
- Minimum of one year of service

Automatic eligibility for withdrawal if receiving a disability benefit.

Withdrawal is limited to the vested portion of the employee's account balance with this option.

Investment Options

Members direct their investments in a combination of any of eight funds (see list below). The default investment fund is the target date fund based on a member's estimated retirement date.

- Money Market Fund
- Fixed Income Fund

- Large Cap Equity Index Fund
- Small/Mid Cap Equity Fund
- International Equity Fund
- Inflation-Linked Fixed Income Fund
- Stable Value Fund
- Target Date Funds

¹My Choice: Retirement Savings Plan employer contribution rates are set annually by the INPRS Board of Trustees. Effective 1/1/17 through 12/31/17, the normal cost of 4 percent is part of the rate employers will pay into the PERF Hybrid Plan. Effective 1/1/17 through 12/31/17, employers can pay 0 to 4 percent into an employee's My Choice: Retirement Savings Plan. Effective 1/1/18 through 12/31/18, the normal cost of 4.1 percent is part of the rate employers will pay into the PERF Hybrid Plan. Effective 1/1/18 through 12/31/18, employers can pay 0 to 4.1 percent into an employee's My Choice: Retirement Savings Plan.

²Contribution amounts covering unfunded pension liability are not made to My Choice: Retirement Savings Plan accounts.

³More information is available in the My Choice: Retirement Savings Plan Handbook for Political Subdivisions.



AT A GLANCE FOR POLITICAL SUBDIVISIONS

Account Information

Daily valuation allows members to manage their ASA investments on a daily basis.

Withdrawals Before Retirement

Members who are disabled or those with a rollover account balance are eligible for full withdrawals of employee share.

All voluntary distributions for disability and rollover withdrawals require 100 percent of the available amount to be withdrawn.

Employer share withdrawal is limited to the vested portion of the employee's account balance with the disability option.

Available only when disabled or separated from service

- May leave account invested in PERF, or receive a total distribution
- No partial withdrawals
- Rollover to qualified plan or other eligible retirement account
- No loans

Income and Options at Retirement

Members who meet the age and minimum balance requirements must make their distribution elections on the retirement application.

Choices determine payments

- May defer payment until age 70 1/2
- May choose lump sum or rollover distribution
- May choose monthly payment for annuity
- Amount of distribution determined by account balance, taxes withheld, and distribution option chosen

Beneficiaries/ Spousal survivors

Payment

- Following death of retired member under applicable payment options
- Following death of active member in limited circumstances

Balance payment

- Receives total accumulated amount after death of active members or retired members who elected to defer payment

FOR YOUR BENEFIT

This handout is an overview of the PERF My Choice: Retirement Savings Plan provisions. Complete details of the plan's provisions are available in the current member handbook. You may read it or print your own copy from the INPRS website at www.inprs.in.gov. You may also request a copy in writing or by calling our toll-free number, (888) 286-3544.

Keep your information current. Report any changes in your name, address or beneficiary choices directly to INPRS. This is NOT something your employer can do for you. To change your beneficiary, name or address information, log on to your online member account by visiting www.inprs.in.gov.

Every attempt has been made to verify that the information in this publication is correct and up-to-date. Published content does not constitute legal advice. If a conflict arises between information contained in this publication and the law, the applicable law shall apply.



MY CHOICE: RETIREMENT SAVINGS PLAN

FOR POLITICAL SUBDIVISIONS

(Formerly known as the PERF ASA Only Plan)

EMPLOYER	PLAN OPTIONS		EMPLOYER CONTRIBUTION	MANDATORY 3% CONTRIBUTIONS* PAID BY:		VOLUNTARY CONTRIBUTIONS BY EMPLOYEE	MATCHING CONTRIBUTIONS BY EMPLOYER	DEFAULT OPTION
	HYBRID	MY CHOICE		EMPLOYEE	EMPLOYER			
Evansville Housing Authority		X	0%	X		0-10%	50% – voluntary	My Choice
Monroe County Public Library	X	X	5.8%		X	0-10%	0%	My Choice
Bargersville Community Fire Protection District	X	X	0%		X	0-10%	0%	Hybrid
West Clark Community Schools		X	0%	Split – by position		0-10%	0%	My Choice
Harrison Township – Kosciusko County	X	X	3%		X	0-10%	0%	Hybrid
City of Indianapolis	X	X	1%		X	0-10%	0%	My Choice

*

Mandatory contributions paid by either the employee or employer equal 3% of the employee's gross wages.

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PERF Hybrid Plan or My Choice: Retirement Savings Plan?

As a new PERF employee, you have a choice between the PERF Hybrid plan or the My Choice: Retirement Savings Plan (formerly known as the PERF ASA Only plan). You have 60 days from your start date to select your preferred plan. A big decision like this should be considered carefully based on your retirement goals. Your decision is irrevocable. Although the plans are similar, there are a few distinct differences. If you don't know where to start, take this short quiz to see which path may be best for you.

For more information about your options, visit www.in.gov/inprs/hybridvsmchoice.htm.

	YES	NO
Do you plan to spend your working career in a PERF-covered position?	<input type="checkbox"/>	<input type="checkbox"/>
Do you want someone else to make investment decisions for you?	<input type="checkbox"/>	<input type="checkbox"/>
Which is more important to you?	A guaranteed lifetime monthly pension benefit based on salary and years worked	A lump sum payout or monthly annuity based on contributions and investment earnings
Do you plan to work until full retirement age?	<input type="checkbox"/>	<input type="checkbox"/>
Do you want to be eligible for a reduced retirement benefit (i.e. retire at a younger age with specific age and service requirements)?	<input type="checkbox"/>	<input type="checkbox"/>

HOW DID YOU DO?

More yes than no? The PERF Hybrid plan may be the right choice for you.

More no than yes? The My Choice: Retirement Savings Plan may be the one for you.

To ensure you're making the best choice, review the resources for both plans before you make your election.

The results of this interactive tool are offered as suggestions only and not a formula for determining your actual selection of the PERF Hybrid plan or My Choice: Retirement Savings Plan. You should evaluate your short and long-term goals and carefully review all information related to both the PERF Hybrid plan and My Choice: Retirement Savings Plan before making an election decision. You may even wish to speak to a financial advisor about how each option would impact you long term. Your decision is irrevocable.

Which option is right for you?

As a new employee entering into PERF-covered employment, you have 60 days from your start date to choose between two retirement options. You will receive a PIN number with instructions on how to access your online account in order to make an election. If you do not make a choice, you will default to the PERF Hybrid plan. Your choice, or default to the Hybrid plan, is irrevocable. For more information about your options, visit www.in.gov/inprs/hybridvsmychoice.htm.

Plan Type	PERF Hybrid Annuity Savings Account (ASA) and Defined Benefit (DB)	My Choice: Retirement Savings Plan (Formerly known as the PERF ASA Only Plan)
Election	Default option if no election is made in 60 days	60 days to choose this plan
Contributions	Fixed 3% of gross wages/May elect to make pre- or post-tax voluntary contributions not to exceed 10 percent of gross wages	
	Variable percent set annually by INPRS board*	
Vesting	For fixed contributions (3% of gross wages): 100% vesting from date of hire	
	DB: 10 years of service	Variable percent: 20 percent vesting increases for every full year of participation up to 5 years
Benefit Eligible	For fixed contributions (3% of gross wages): Available upon separation of employment	
	DB: Available upon separation of employment and age and service requirements: <ul style="list-style-type: none"> ■ age 50 to 59 and 15 years of service ■ age 55 and 30 years of service ■ age 60 and 15 years of service ■ age 65 and 10 years of service ■ age 70 and 20 years of service** 	Variable percent: Available upon separation of employment and based on full years of participation: <ul style="list-style-type: none"> 1 year = 20% 2 years = 40% 3 years = 60% 4 years = 80% 5 years = 100%
Retirement Options	DB is a lifetime pension benefit that can be taken by itself. The ASA is available as a lump sum, a direct rollover to another plan or combined with your DB for a larger monthly benefit.	Available as a lump sum, direct rollover or a lifetime monthly annuity (minimum account balance required)
Disability	Payment of pension benefit if disabled and have at least 5 years of service	Full withdrawal of 3% fixed contributions and vested percentage of variable percent

*Regardless of the set annual rate, the PERF Hybrid defined benefit pension amount is an average of annual compensation based on 20 quarters, years of service and a multiplier of 1.1 percent. Effective 1/1/17 through 12/31/17, the normal cost of 4 percent is part of the rate employers will pay into the PERF Hybrid Plan. Effective 1/1/17 through 12/31/17, employers can pay 0 to 4 percent into an employee's My Choice: Retirement Savings Plan. Effective 1/1/18 through 12/31/18, the normal cost of 4.1 percent is part of the rate employers will pay into the PERF Hybrid Plan. Effective 1/1/18 through 12/31/18, employers can pay 0 to 4.1 percent into an employee's My Choice: Retirement Savings Plan. Contribution amounts covering unfunded pension liability are not made to My Choice: Retirement Savings Plan accounts.

**See the Public Employees' Retirement Fund Member Handbook.